

## Message Text

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PAGE 01   SOFIA 00300 171055Z  
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 INR-10 NSAE-00 EB-08 TRSE-00  
/031 W

-----064770 180531Z /15

R 170900Z FEB 78  
FM AMEMBASSY SOFIA  
TO SECSTATE WASHDC 4150  
INFO : USDOC WASHDC

LIMITED OFFICIAL USE SOFIA 0300  
E.O. 11652: NA  
TAGS: BU, US, EFIN  
SUBJECT: BONDHOLDERS

REF SOFIA 0285

1. AFTER INFORMING AMBASSADOR OF GOB DECISION TO BEGIN NEGOTIATIONS WITH FOREIGN BONDHOLDERS PROTECTIVE COUNCIL (FBPC) IN NEAR FUTURE (REFTTEL), FINANCE MINISTER BELCHO BELCHEV MADE FURTHER COMMENTS ON THE ISSUE WHICH PROVIDES SOME INFORMATION ON BULGARIAN BARGAINING POSITION.

2. BELCHEV FIRST APOLOGIZED FOR DELAY IN BEGINNING NEGOTIATIONS. HE HAD INTENDED TO HAVE TALKS BEGIN LAST SEPTEMBER BUT HAD BEEN TOO BUSY WITH BUDGET, SO BUSY, IN FACT, THAT HE HAD NOT BEEN ABLE TO ATTEND WASHINGTON INTERNATIONAL CONGRESS OF FINANCIERS. HE THEN PROCEEDED TO DISCUSS WHAT WILL PROBABLY BE BULGARIA'S OPENING BARGAINING POSITION. HE SAID, "WE HAVE A TRADITION OF SETTTLING FOR 7PERCENT OF NOMINAL VALUE OF BONDS AS LISTED ON BORDEREAU (LIST OF BONDS IN CIRCULATION)." HE SAID HE UNDERSTOOD FROM EX-FBPC PRESIDENT WOODS, WHO VISITED BULGARIA IN 1974, THAT US HAD SLIGHTLY DIFFERENT PRACTICE IN THAT REGARD AND THAT ROMANIA, POLAND, AND HUNGARY HAD SETTLED SLIGHTLY DIFFERENTLY WITH US. HOWEVER, BULGARIA WAS READY TO

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DISCUSS ALL POSSIBILITIES AND WANTED TO REMOVE BARRIERS TO WIDER, BETTER RELATIONS, OF WHICH THE BONDHOLDERS PROBLEM WAS ONE.

3. AMBASSADOR RESPONDED THAT WE, TOO, CONSIDERED BONDHOLDERS PROBLEM IMPORTANT AND WOULD REGARD ITS RESOLUTION AS INDICATOR OF IMPROVEMENT IN US/BULGARIAN RELATIONS.

AMBASSADOR SAID HE APPRECIATED BELCHEV'S COMMENTS ON  
BULGARIAN POSITION IN NEGOTIATIONS BUT, OF COURSE, WOULD  
NOT BE ABLE TO COMMENT ON THEM.

4. EMBASSY SUGGESTS THAT DEPT PASS BELCHEV'S COMMENTS  
TO FBPC.  
DECONTROL UPON RECEIPT.  
GARTHOFF

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BONDS (SECURITIES)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 feb 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978SOFIA00300  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
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**Review Markings:**  
Sheryl P. Walter  
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